

Washington, DC – Congressman Sanford D. Bishop, Jr. (GA-02) today announced today that the third round of checks to begin to close the “donut hole,” or gap in Medicare Part D drug coverage, has been sent to more than 375,000 seniors across the nation. In Georgia, nearly 10,600 checks were sent to seniors this week. This one-time tax-free check of \$250 now has been mailed to over 21,700 seniors in Georgia since June 2010. The new health reform law, the Patient Protection and Affordable Care Act, will continue to provide additional discounts for seniors on Medicare in the years ahead and close the “donut hole” by 2020.

“Senior citizens should not have to choose between buying the prescriptions they need and putting food on the table,” said Bishop. “Closing the ‘donut hole’ and helping to defray the cost of prescription drugs is one of the most important things that Congress can do to ensure that Americans have peace of mind in their golden years.”

Currently, Medicare beneficiaries pay a \$310 deductible and 25% of their drug costs until the total reaches \$2,830 for the year. Then, they fall into the “donut hole” or coverage gap. At that point, beneficiaries must pay all costs out of pocket until their annual expenses exceed \$6,440. After that, seniors pay 5% of drug costs for the rest of the year.

Medicare recipients do not have to do anything to get the \$250 check – once their drug costs for the year hit \$2,830 the one-time check will be issued automatically.

The checks are just the first benefit from health reform for seniors in the Medicare Prescription Drug program. Beginning in January 2011, seniors in the donut hole will receive a 50% discount on brand name drugs. By 2020, the donut hole will be completely closed.

Making prescription drugs more affordable for seniors is only one of the many benefits for seniors included in the Patient Protection and Affordable Care Act. Under the new law, other benefits for seniors include:

- Beginning on January 1, 2011, provides that seniors will receive free preventive care services like mammograms and certain colon cancer tests and a free annual physical.
- Strengthens Medicare by extending its solvency by an additional 12 years, from 2017 to 2029.
- Includes Medicare efficiencies, so that experts estimate that seniors can expect to save on average almost \$200 per year in premiums, by 2018, compared to what they would have paid without the new law.

Bishop Announces Delivery of Third Round of "Donut Hole" Checks

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- Continues to reduce waste, fraud and abuse in Medicare.
- Improves care by helping doctors communicate and coordinate.
- Expands home and community-based services to keep seniors in their home, instead of in nursing homes.

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